



University of Puerto Rico (UPR)

June - FY 2023 Budget to Actual reporting
(FOMB Certified Budget)

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INTRODUCTION

University of Puerto Rico (“UPR”) is a state-supported university system created by the Law No. 1 of January 20, 1966, “Law of the University of Puerto Rico” (“Act No. 1”), as amended. UPR is responsible for serving the people of Puerto Rico to contribute to the development and enjoyment of the fundamental, ethical, and aesthetic values of Puerto Rican culture by providing high-quality education and creating new knowledge through research and exploration of the Arts, Sciences, and Technology. UPR consists of 11 campuses: Medical Sciences, Aguadilla, Arecibo, Bayamón, Carolina, Cayey, Humacao, Mayagüez, Ponce, Río Piedras, and Utuado.

Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) has been compiling financial information from Central Government and selected public corporations of the Commonwealth of Puerto Rico that are component units (“CU”) for financial reporting purposes, as part of AAFAF’s evaluation of actual performance against budget of the Government of Puerto Rico and its public corporations.

This report contains financial information for the month of June and YTD FY23 including budget and actual revenues from operations; intergovernmental transfers – general fund appropriations and other transfers from Central Government and public corporations; disaster relief receipts, federal funds and insurance proceeds.

This report also contains information of budget and actual expenses which include operating expenses – e.g. payroll and related costs, purchased services, professional services, transportation expenses, disaster relief disbursements, and CapEx.

The financial information included in this report may change as a result of the annual year end accounting process.

The FOMB budget was certified by the Federal Oversight Management Board and figures were used as a reference in this report for comparison with actual to evaluate UPR’s performance for the month of June and YTD FY23.

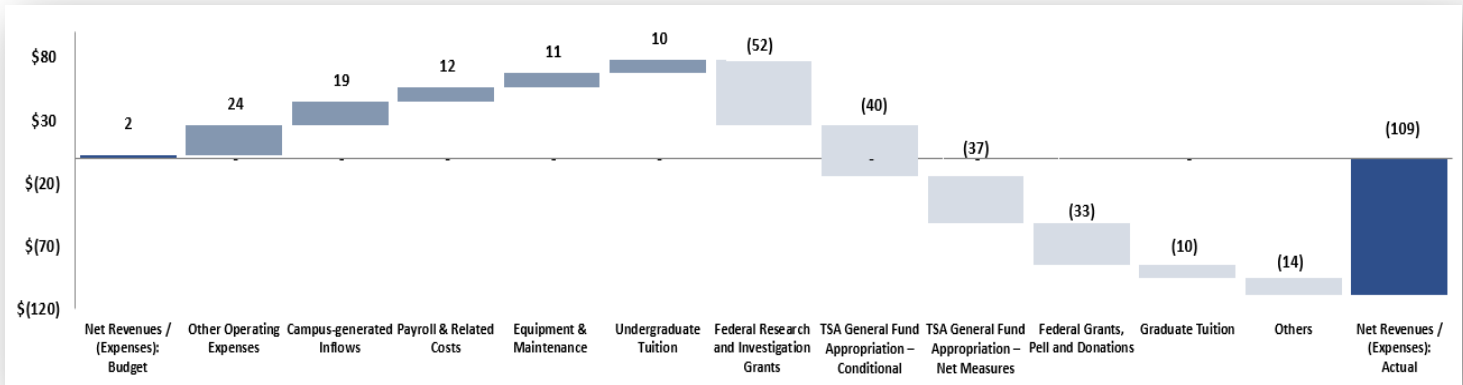
EXECUTIVE SUMMARY

YTD June, UPR ended net operations with an unfavorable variance of \$110.7M compared to budget. Variances by concept levels were relevant in the following line items:

Favorable variances: a permanent variance in Other Operating Expenses (\$24M), a timing variance in Campus-generated Inflows (\$19M), a timing variance in Payroll & Other Related Costs (\$12M), a timing variance in Equipment & Maintenance (\$11M), and a timing variance in Undergraduate Tuition revenues (\$10M) (Refer to notes in page 5).

Unfavorable variance: a timing variance in Federal Research and Investigation Grants (\$52M), a timing variance in TSA General Fund Appropriation – Conditional (\$40M), a timing variance in TSA General Fund Appropriation – Net Measures (\$37M), a permanent variance in Federal Grants, Pell and Donations (\$33M), and a permanent variance in Graduate Tuition (\$10M) (Refer to notes in page 5).

FY23 YTD June FOMB Certified Budget vs Actual (\$mm)



June and YTD – FY23 FOMB Certified Budget versus Actual Variance Analysis

University of Puerto Rico
Budget to Actuals
For the month of June 2023

Notes

(\$000's)	ACTUAL				BUDGET				
	Notes	Jun-23	Jun-23	Variance \$	Variance %	YTD	YTD	Variance \$	Variance %
Central Government Appropriations:									
TSA General Fund Appropriation - Net Measures	2	-	36,767	(36,767)	-100%	404,439	441,206	(36,767)	-8%
TSA General Fund Appropriation - Conditional	1	-	-	-	0%	-	40,000	(40,000)	-100%
TSA General Fund Appropriation - Joint Resolutions		5	2,508	(2,503)	-100%	27,558	30,097	(2,539)	-8%
Other Special Appropriations - Training and Seminars		11,323	833	10,490	1259%	17,582	10,000	7,582	76%
Services to Department of Education		2,244	835	1,409	169%	14,502	10,021	4,481	45%
Legislative Scholarships		-	792	(792)	-100%	8,712	9,501	(789)	-8%
TSA General Fund Appropriation - Additional Medical Science - Medical Residents		-	417	(417)	-100%	-	5,000	(5,000)	-100%
TSA General Fund Appropriation - Additional Medical Science - Attending Doctors		-	575	(575)	-100%	-	6,900	(6,900)	-100%
Endowment Funds		-	833	(833)	-100%	7,500	10,000	(2,500)	-25%
Total Central Government Appropriations		13,572	43,560	(29,989)	-69%	480,292	562,725	(82,433)	-15%
Operating Revenues:									
PR Slot Machine Receipts - Law 36		-	6,041	(6,041)	-100%	71,484	72,493	(1,009)	-1%
Undergraduate Tuition	3	2,413	9,859	(7,446)	-76%	142,462	132,286	10,176	8%
Graduate Tuition	4	4,978	2,829	2,149	76%	27,570	37,961	(10,391)	-27%
Campus-generated Inflows	5	14,258	14,840	(583)	-4%	201,169	182,605	18,564	10%
Other Revenues		-	167	(167)	-100%	-	2,000	(2,000)	-100%
Total Operating Revenues		21,648	33,736	(12,088)	-36%	442,685	427,345	15,340	4%
Other Sources of Revenues:									
Pell & Other Student Aid Grants		1,179	3,665	(2,486)	-68%	52,338	55,778	(3,440)	-6%
Federal Research and Investigation Grants	6	7,292	7,506	(214)	-3%	62,264	114,235	(51,971)	-45%
FEMA and Insurance Receipts		-	-	-	0%	593	-	593	0%
HEERF Relief Funds		1,735	-	1,735	0%	20,402	-	20,402	0%
Prior Years Receivables		-	-	-	0%	-	-	-	0%
Other Receipts		-	-	-	0%	-	-	-	0%
Total Other Sources of Revenues		10,206	11,170	(964)	-9%	135,597	170,013	(34,416)	-20%
Total Revenues		45,426	88,467	(43,041)	-49%	1,058,574	1,160,083	(101,509)	-9%
Operating Expenditures:									
Payroll & Related Costs									
Salaries - Faculty		26,238	25,866	(372)	-1%	327,417	334,533	7,116	2%
Salaries - Non-Faculty		12,952	13,488	536	4%	169,681	174,450	4,769	3%
Christmas Bonus		2	-	(2)	0%	5,559	5,700	141	2%
Overtime		224	161	(63)	-39%	2,789	2,080	(709)	-34%
Liquidations		253	648	396	61%	8,369	8,384	15	0%
Incentives		113	31	(82)	-266%	543	400	(143)	-36%
Medical Plan		4,059	4,197	138	3%	52,294	54,279	1,985	4%
Social Security Payment		3,036	2,893	(143)	-5%	39,088	37,413	(1,675)	-4%
State Insurance Fund		596	568	(28)	-5%	7,479	7,349	(130)	-2%
Unemployment Insurance		54	45	(9)	-21%	415	580	165	28%
Total Payroll & Related Costs	7	47,526	47,896	370	1%	613,634	625,168	11,534	2%
Materials and Supplies									
Purchased Services		4,284	2,995	(1,288)	-43%	31,157	33,366	2,209	7%
Federal Grants, Pell and Donations	8	10,574	4,234	(6,340)	-150%	120,125	86,678	(33,447)	-39%
Joint Resolutions		-	-	-	0%	-	-	-	0%
Facilities and Payments for Public Services		12,784	7,038	(5,747)	-82%	52,284	47,525	(4,759)	-10%
Professional Services		6	279	273	98%	27	3,346	3,319	99%
Transportation Expenses		984	646	(338)	-52%	6,206	5,500	(706)	-13%
Other Operating Expenses	9	11,976	10,355	(1,621)	-16%	68,468	92,478	24,010	26%
Total Operating Expenditures		41,622	26,302	(15,321)	-58%	299,949	291,614	(8,335)	-3%
Other Expenditures:									
Capital Expenditures		2,467	766	(1,701)	-222%	3,299	3,000	(299)	-10%
Equipment & Maintenance	10	4,247	6,963	2,717	39%	31,923	43,170	11,247	26%
Pensions Payment	7	15,246	12,242	(3,004)	-25%	142,614	146,900	4,286	3%
HEERF Relief Required Disbursements		3,487	-	(3,487)	0%	27,583	-	(27,583)	0%
Total Other Expenditures		25,446	19,970	(5,476)	-27%	205,419	193,070	(12,349)	-6%
Total Expenses Before Debt Service		114,595	94,168	(20,426)	-22%	1,119,002	1,109,852	(9,150)	-1%
Net Revenues / (Expenses) Before Debt Service		(69,169)	(5,702)	(63,467)	1113%	(60,428)	50,231	(110,659)	-220%
Contract Debt Service									
Total Expenses After Debt Service		5,418	4,021	(1,397)	-35%	48,252	48,252	-	0%
Net Revenues / (Expenses)		(74,587)	(9,723)	(64,864)	667%	(108,680)	1,979	(110,659)	5592%

Other Expenses (Not Included in Certified Budget):		
	Jun-23	YTD
Capital Expenditures (From Institutional Prior Year Funds - Restricted Cash Account)	\$ (1,390)	\$ (8,500)
Assistance to First Responders (From New CW Assignment)	\$ -	\$ (9,514)
Incentive for Non-Faculty Employees (From FY22 Budget Surplus)	\$ -	\$ (14,361)

CAPEX - Institutional Funds Projects Remaining Balance (Restricted Cash Balances) \$ 60,192

1. Unfavorable timing variance in TSA General Fund Appropriation – Conditional. We expect to receive the conditional amount in the following months.
2. Unfavorable timing variance in TSA General Fund Appropriation – Net Measures due to a delay in the recording of June receipts in the accounting system.
3. Favorable timing variance in Undergraduate Tuition revenues due to a delay in the recording of tuition allowances in the accounting system. We expect an unfavorable permanent variance due to higher than expected enrollment decline for FY23.
4. Unfavorable permanent variance in Graduate Tuition revenues due to higher than expected enrollment decline for FY23.
5. Favorable timing variance in Campus-generated Inflows due to a delay in the recording of pending adjustments to these revenues in the accounting system.
6. Unfavorable timing variance in Federal Research and Investigation Grants due to a delay in the recording of these revenues in the accounting system.
7. Favorable timing variance in Total Payroll & Related Costs due to a delay in the recording of June payrolls in the accounting system. Actual YTD amount is \$620.1M as presented in the Liquidity Report. In addition, Pensions Payment recording is affected due to the delay.
8. Unfavorable permanent variance in Federal Grants, Pell and Donations as actual disbursements to students exceeded the budget amount for the FY23.
9. Favorable permanent variance in Other Operating Expenses due to lower than expected FY23 expenditures. We expect some additional expenses, but they will not reach budget amounts.
10. Favorable timing variance in Equipment & Maintenance due to a delay in the recording of these expenses in the accounting system.

4th QTR & YTD – FY23 FOMB Certified Budget versus Actual Variance Analysis

University of Puerto Rico
 PROMESA 203 Report
 For the quarter ended June 30, 2023

(5000's)	NOTES	ACTUAL		BUDGET		ACTUAL		CERT. BUDGET		
		Q4	Q4	Variance \$	Variance %	YTD FY23	YTD FY23	Variance \$	Variance %	
Central Government Appropriations:										
TSA General Fund Appropriation - Net Measures		83,877	119,545	(35,668)	-30%	404,439	441,206	(36,767)	-8%	
TSA General Fund Appropriation - Conditional		-	20,000	(20,000)	-100%	-	40,000	(40,000)	-100%	
TSA General Fund Appropriation - Joint Resolutions		5,023	7,524	(2,501)	-33%	27,558	30,097	(2,539)	-8%	
Other Special Appropriations - Training and Seminars		11,323	2,500	8,823	353%	17,582	10,000	7,582	76%	
Services to Department of Education		2,244	2,505	(262)	-10%	14,502	10,021	4,481	45%	
Legislative Scholarships		1,584	2,375	(792)	-33%	8,712	9,501	(789)	-8%	
TSA General Fund Appropriation - Additional Medical Science - Medical Residents		-	1,250	(1,250)	-100%	-	5,000	(5,000)	-100%	
TSA General Fund Appropriation - Additional Medical Science - Attending Doctors		-	1,725	(1,725)	-100%	-	6,900	(6,900)	-100%	
Endowment Funds		-	2,500	(2,500)	-100%	7,500	10,000	(2,500)	-25%	
Total Central Government Appropriations		104,051	159,924	(55,873)	-35%	480,292	562,725	(82,433)	-15%	
Operating Revenues:										
PR Slot Machine Receipts - Law 36		13,500	18,123	(4,623)	-26%	71,484	72,493	(1,009)	-1%	
Undergraduate Tuition		7,082	12,004	(4,922)	-41%	142,462	132,286	10,176	8%	
Graduate Tuition		5,344	3,445	1,899	55%	27,570	37,961	(10,391)	-27%	
Campus-generated Inflows		50,463	47,888	2,575	5%	201,169	182,605	18,564	10%	
Other Revenues		-	500	(500)	-100%	-	2,000	(2,000)	-100%	
Total Operating Revenues		76,388	81,960	(5,572)	-7%	442,685	427,345	15,340	4%	
Other Sources of Revenues:										
Pell & Other Student Aid Grants		(4,184)	9,259	(13,443)	-145%	52,338	55,778	(3,440)	-6%	
Federal Research and Investigation Grants		13,370	18,962	(5,592)	-29%	62,264	114,235	(51,971)	-45%	
FEMA and Insurance Receipts		-	-	-	0%	593	-	593	0%	
HEERF Relief Funds		6,091	-	6,091	0%	20,402	-	20,402	0%	
Prior Years Receivables		-	-	-	0%	-	-	-	0%	
Other Receipts		-	-	-	0%	-	-	-	0%	
Total Other Sources of Revenues		15,278	28,221	(12,944)	-46%	135,597	170,013	(34,416)	-20%	
Total Revenues		195,717	270,106	(74,389)	-28%	1,058,574	1,160,083	(101,509)	-9%	
Operating Expenditures:										
Payroll & Related Costs										
Salaries - Faculty		83,214	84,435	(1,221)	-1%	327,417	334,533	7,116	2%	
Salaries - Non-Faculty		40,927	44,030	(3,104)	-7%	169,681	174,450	4,769	3%	
Christmas Bonus		5	-	5	0%	5,559	5,700	141	2%	
Overtime		655	525	130	25%	2,789	2,080	(709)	-34%	
Liquidations		1,129	2,116	(987)	-47%	8,369	8,384	15	0%	
Incentives		229	101	128	127%	543	400	(143)	-36%	
Medical Plan		12,671	13,700	(1,029)	-8%	52,294	54,279	1,985	4%	
Social Security Payment		9,752	9,443	309	3%	39,088	37,413	(1,675)	-4%	
State Insurance Fund		1,869	1,855	14	1%	7,479	7,349	(130)	-2%	
Unemployment Insurance		104	146	(43)	-29%	415	580	165	28%	
Total Payroll & Related Costs		150,555	156,351	(5,797)	-4%	613,634	625,168	11,534	2%	
Materials and Supplies		10,187	10,766	(578)	-5%	31,157	33,366	2,209	7%	
Purchased Services		2,443	1,804	638	35%	21,683	22,721	1,038	5%	
Federal Grants, Pell and Donations		17,573	10,736	6,838	64%	120,125	86,678	(33,447)	-39%	
Joint Resolutions		-	-	-	0%	-	-	-	0%	
Facilities and Payments for Public Services		22,762	12,838	9,925	77%	52,284	47,525	(4,759)	-10%	
Professional Services		24	837	(812)	-97%	27	3,346	3,319	99%	
Transportation Expenses		2,259	1,880	379	20%	6,206	5,500	(706)	-13%	
Other Operating Expenses		22,614	29,764	(7,150)	-24%	68,468	92,478	24,010	26%	
Total Operating Expenditures		77,863	68,624	9,239	13%	299,949	291,614	(8,335)	-3%	
Other Expenditures:										
Capital Expenditures		2,656	953	1,704	179%	3,299	3,000	(299)	-10%	
Equipment & Maintenance		10,321	13,882	(3,560)	-26%	31,923	43,170	11,247	26%	
Pensions Payment		40,823	36,725	4,098	11%	142,614	146,900	4,286	3%	
HEERF Relief Required Disbursements		9,958	-	9,958	0%	27,583	-	(27,583)	0%	
Total Other Expenditures		63,758	51,559	12,199	24%	205,419	193,070	(12,349)	-6%	
Total Expenses Before Debt Service		292,176	276,534	15,642	6%	1,119,002	1,109,852	(9,150)	-1%	
Net Revenues / (Expenses) Before Debt Service		(96,459)	(6,428)	(90,031)	1401%	(60,428)	50,231	(110,659)	-220%	
Contract Debt Service		9,473	12,063	(2,590)	-21%	48,252	48,252	-	0%	
Total Expenses After Debt Service		301,649	288,597	13,052	5%	1,167,254	1,158,104	(9,150)	-1%	
Net Revenues / (Expenses)		(105,932)	(18,491)	(87,441)	473%	(108,680)	1,979	(110,659)	-5592%	